GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1774
ANSWERED ON:08.03.2001
GUIDELINES ON IMPORT OF FUEL
B.K. PARTHASARATHI;GUNIPATI RAMAIAH;SUKENDER REDDY GUTHA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have recently framed the guidelines on fuel import under duty exemption scheme;

(b) if so, the details thereof;

(c) whether the revised scheme is likely to be disadvantageous to the exporters; and

(d) if so, the steps proposed to be taken to help the exporters?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a & (b): Yes, Sir. Government has decided to allow fuel under Standard Input OutputNorms (SION) for Advance Licensing Scheme, wherein fuel constitutes not less than 15% of the total cost of manufacturing.

(c) & (d) : Since fuel is hitherto not normally allowed under SION, it is expected thatallowing of fuel under the Norms shall be advantageous to the manufacturer wherein fuel constitutes a significant cost of production by reducing the cost of production itself. This would make Indian products more competitive in the international market.